

304.9-020 Definitions for subtitle.

As used in this subtitle:

- (1) "Agent" means an individual or business entity appointed by an insurer to sell or to solicit applications for insurance or annuity contracts or to negotiate insurance or annuity contracts on its behalf;
- (2) "Appointment" means a notification filed with the insurance office that an insurer has established an agency relationship with a producer;
- (3) "Appointment renewal" means continuation of an insurer's existing appointment based on payment of the required fee without submission of an appointment form;
- (4) "Business entity" means a corporation, association, partnership, limited liability company, limited liability partnership, employer group, professional employer organization, or other legal entity;
- (5) "Crop insurance" means insurance providing protection against damage to crops from unfavorable weather conditions, fire or lightning, flood, hail, insect infestation, disease, or other yield-reducing conditions or perils provided by the private insurance market or that is subsidized by the Federal Crop Insurance Corporation, including multi-peril crop insurance;
- (6) "Home state" means the District of Columbia and any state or territory of the United States in which a licensee maintains his or her principal place of residence or principal place of business and is licensed by that state;
- (7) "Insurance producer" means an individual or business entity required to be licensed under the laws of Kentucky to sell, solicit, or negotiate insurance or annuity contracts. Insurance producer includes agent, managing general agent, surplus lines broker, reinsurance intermediary broker and manager, rental vehicle agent and managing employee, specialty credit producer and managing employee, and consultant;
- (8) "Limited line credit insurance" includes credit life, credit disability, credit property, credit unemployment, involuntary unemployment, mortgage life, mortgage guaranty, mortgage disability, guaranteed automobile protection insurance, and any other form of insurance offered in connection with an extension of credit that is limited to partially or wholly extinguishing that credit obligation that the executive director determines should be designated a form of limited line credit insurance;
- (9) "Limited line credit insurance agent" means an individual or business entity who sells, solicits, or negotiates one (1) or more forms of limited line credit insurance coverage to individuals through a master, corporate, group, or individual policy;
- (10) "Limited lines insurance" means the lines of insurance defined in subsections (5), (8), (14), and (16) of this section and any other line of insurance that the executive director identifies in accordance with KRS 304.9-230(1)(e) or recognizes for the purpose of complying with KRS 304.9-140(5);
- (11) "Negotiate" means the act of conferring directly with, or offering advice directly to, a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms, or conditions of the contract;

- (12) "Sell" means to exchange a contract of insurance by any means, for money or other valuable consideration, on behalf of an insurer;
- (13) "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular insurer;
- (14) "Surety" means insurance or bond that covers obligation to pay the debts of, or answer for the default of another, including faithlessness in a position of public or private trust. Surety also includes surety insurance as defined in KRS 304.5-060;
- (15) "Terminate" means the cancellation of the relationship between an insurance producer and the insurer or the termination of an insurance producer's authority to transact insurance;
- (16) "Travel insurance" means insurance coverage for trip cancellation, trip interruption, baggage, life, sickness and accident, disability, and personal effects if limited to a specific trip and sold in connection with transportation provided by a common carrier;
- (17) "Uniform business entity application" means the current version of the National Association of Insurance Commissioners uniform business entity application for resident and nonresident business entities; and
- (18) "Uniform individual application" means the current version of the National Association of Insurance Commissioners uniform individual application for resident and nonresident individuals.

Effective: June 20, 2005

History: Amended 2005 Ky. Acts ch. 143, sec. 2, effective June 20, 2005. -- Amended 2002 Ky. Acts ch. 273, sec. 4, effective July 15, 2002. -- Amended 2000 Ky. Acts ch. 393, sec. 1, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 341, sec. 43, effective July 15, 1998. -- Created 1970 Ky. Acts ch. 301, subtit. 9, sec. 2, effective June 18, 1970.

Legislative Research Commission Note (6/20/2005). 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.